



ACM\$ Frequently Asked Questions

1. Why is NSF changing the current cash request process?

NSF is changing its approach to payment processes in order to comply with the new transparency and accountability standards established for the stewardship of Federal funds. Additionally, NSF must comply with requests from Congress and the Office of Management and Budget (OMB) for up-to-date information on how tax dollars are being spent, and with standardized reporting requirements.

2. How will NSF transition from the old process to the new payment process?

NSF will use the Federal Financial Report (FFR) as a reconciliation tool to ensure that all award balances are correct prior to converting awardee institutions to ACM\$. No awardee will be allowed to use ACM\$ until they complete the reconciliation process. The FFR award balances will be used to generate the beginning balances for the new process in ACM\$.

As the FFRs are processed:

- Awardees with \$0 cash on hand (COH) for their FFR-ending balance will be transitioned to ACM\$.
- Awardees with negative COH for their FFR-ending balance will be issued a final cash pooling payment to make their total expenses equal with their total revenue. After that payment is processed they will be transitioned to ACM\$.
- Awardees with a positive COH for their FFR-ending balance will have to return that balance to NSF. Upon receipt and processing of that payment, their total expenses will equal their total revenue, and the awardees will be transitioned to ACM\$.

In effect, we are placing the timing of the transition to ACM\$ on the awardee FFR submission. The earlier NSF receives and validates the FFR, the earlier institutions will be transitioned to ACM\$. Once an institution is transitioned to ACM\$, each payment request will generate a payment to the awardee and an expense recorded for the award.

3. Will there be a change to the policy on cash advances for the cash shutdown period? How should awardees prepare for the time between the cash shutdown and the availability of the new system?

NSF payment policies can be found in the Award and Administration Guide, Chapter III.C. This policy indicates that

Advances to a grantee shall be limited to the minimum amount needed and shall be timed to be in accordance with the actual, immediate cash requirements of the grantee in carrying out the purpose of the approved program or project. The timing and amount of cash advances shall be as close as is administratively feasible to actual disbursements for direct program costs and the proportionate share of any allowable indirect costs.

NSF will permit awardees to request cash advances to cover the duration of the cash shutdown. Awardees will be required to determine the best course of action that meets their organization's needs. There are multiple factors awardees should consider before deciding to draw an advance, such as internal cash management guidelines, pending program expenses, and the actual cash position of your organization. These factors should be evaluated within the full context of state and federal policies and guidelines affecting your organization.

4. It usually takes our institution 3-4 weeks to close the books and file our FFR. How can we avoid an extended cash shutdown period where we'll be without the ability to request cash? How should the final reconciliation FFR be completed?

NSF prefers that you submit your final FFR as early as possible before the due date. The earlier the FFR is submitted, the sooner your organization will be able to transition to ACM\$, thereby reducing the cash shutdown period. If your organization is unable to close the quarterly books before the FFR due date, you can submit your FFR using the best available expenditure information you have at that time. If, after you close your books, you find additional expenditures or credits which should have been included in your final FFR, you can report them through ACM\$.

5. Will NSF make any payments during the cash shutdown period?

NSF will not make any awardee-initiated payments during the cash shutdown period. However, if your final reconciliation FFR submission reflects a negative COH balance, NSF will initiate a payment equal to the negative COH balance to your institution.

6. What can I do now to prepare for the transition to ACM\$?

NSF recommends that awardees do the following to prepare for the transition ACM\$:

- Submit your organization's FFRs as early as possible before the due date.
- Validate the award number, amount of Federal funds authorized, and cumulative expenditures for all open awards.
- Reconcile the COH balance on the FFR to the COH balance on your financial records.
- Submit cash requests on a regular basis to reduce the negative COH balances and send NSF any excess funds if there are positive COH balances.
- Identify any items that create differences between your financial records and NSF records.

7. What is meant by \$0 COH for the purposes of the reconciliation and transition to ACM\$?

For the purpose of the reconciliation, \$0 COH means that all the expenditures that have been reported on the FFR have had an equal amount of cash (revenue) requested. Your organization should be able to reconcile the COH balance on the FFR to the COH balance on your financial records. Any differences between the two figures should be investigated and corrected as soon as possible. Two examples of differences are overages and refunds made on canceled appropriations. Your organization's goal should be to come to \$0 COH at the award level and therefore at the institution level.

8. Will there be new user permissions for ACM\$ and when will awardees be able to assign users these permissions?

Yes, there will be new user permissions for ACM\$ called Awardee Preparer and Awardee Certifier. Prior to the transition to ACM\$, awardee Financial Administrators will be able to update their user permissions in FastLane's Research Administration module.

9. When will awardees be transitioned to ACM\$?

- For awardees who submit their final FFR with a \$0 COH balance, NSF will process the FFR, validate the \$0 COH balance and then give the organization access to ACM\$.
- For awardees who submit their final FFRs with a negative COH balance, NSF will process the FFR and issue an electronic payment to bring the COH balance to \$0. The awardees will be given access to ACM\$ after the payment has been processed.
- For awardees who submit their final FFRs with a positive COH balance, NSF will process the FFR and require the

institution to return the excess funds to NSF immediately. Once the refund has been received and processed, bringing the COH balance to \$0, the institution will be given access to ACM\$. Submit cash requests on a regular basis to reduce the negative COH balances and send NSF any excess funds if there are positive COH balances.

10. Will awardees be required to complete an FFR each time they submit a cash request in ACM\$?

No, FFRs will no longer be required. In ACM\$, NSF will document awardee expenses at the time the cash request is processed. Many awardees use the FFR process to perform additional reviews of their NSF awards. NSF encourages awardees to continue these reviews; however, because many organizations complete cash requests more frequently than the current quarterly FFR process, this may be a good time to develop award expense reconciliation processes that are separate from the compilation of information for the completion of future cash requests. Awardees can perform simple expenditure reconciliations to validate the correctness of individual cash requests, and can conduct more comprehensive reviews at regular intervals (quarterly or otherwise).

11. In ACM\$, will awardees be required to change the frequency of their cash requests?

No, awardees may continue to request cash as often as they wish. With each cash request, awardees will be required to certify that the funds they are requesting are for disbursements that have already been made or that will be made within three days of the request.

